Form 3160-5 (August 2007)

UNITED STATES

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

Lease Serial No.

		ΝN	INN	11038			
_	_		- 1		'	 _	•

DEPARTMENT OF BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an analysis of the second If Indian. Allottee or Tribe Name abandoned well. Use form 3160-3 (APD) for such proposals. OCDA! Agreement, Name and/or No. SUBMIT IN TRIPLICATE - Other instructions on reverse side. 1. Type of Well ER 14 FEDERAL SWD 1H 🔲 Oil Well 📋 Gas Well 🔀 Other: **UNKNOWN OTH** 2. Name of Operator JACKIE LATHAN API Well No Contact: MEWBOURNE OIL COMPANY 30-015-43630-00-X1 E-Mail: jlathan@mewbourne.com 3a. Address 3b. Phone No. (include area code) 10. Field and Pool, or Exploratory P O BOX 5270 Ph: 575-393-5905 DEVONIAN HOBBS, NM 88241 4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 11. County or Parish, and State Sec 14 T26S R29E NWSE 2301FSL 2533FEL EDDY COUNTY, NM 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA TYPE OF SUBMISSION TYPE OF ACTION ☐ Production (Start/Resume) ■ Water Shut-Off □ Acidize Deepen Notice of Intent □ Reclamation ■ Well Integrity ☐ Alter Casing ☐ Fracture Treat ☐ Subsequent Report □ Casing Repair ■ New Construction ☐ Recomplete Other **Drilling Operations** ☐ Final Abandonment Notice ☐ Temporarily Abandon ☐ Change Plans ☐ Plug and Abandon ☐ Plug Back ■ Water Disposal □ Convert to Injection 13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones.

Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.) MOC has an approved APD for the subject well. MOC requests approval to drill 17.5" intermediate hole to 3000' with a weld-on diverter. See attachment for details. NM OIL CONSERVATION ARTESIA DISTRICT MAY 0 5 2016 RECEIVED 14. I hereby certify that the foregoing is true and correct Electronic Submission #337773 verified by the BLM Well Information System For MEWBOURNE OIL COMPANY, sent to the Carlsbad Committed to AFMSS for processing by TEUNGKU KRUENG on 04/28/2016 (16TMK0010SE) Name (Printed/Typed) SHANE HEINZE DRLG ENGINEER (Electronic Submission) 04/28/2016 Signature Date THIS SPACE FOR FEDERAL OR STATE O Teungku Muchlis Kruena Approved By APR 2 8 2016 certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED **

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and with the states any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Mewbourne is requesting the variance be accepted for a 20" diverter to drill the 17.5" hole to 3000'. Anytime we have run 20" casing, we have welded on a 20" diverter and drilled the 17.5" section with no issues. We have drilled several wells in the area and have not encountered any flammable gas pockets through this interval. Air pockets, however, are common in the salt section. The diverter provides a safe way to blow down these air pockets to the pits. If we were to have a BOPE and it was to get shut in while an air pocket was coming up, it could potentially blow the casing (set at 500') out of the ground or break down the cement and blow out from the ground around the rig sub structure. Please reconsider.

Shane Heinze

Drilling Engineer Hobbs, NM 575-441-5013 sheinze@mewbourne.com